

THE WHITE HOUSE

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TO IMPLEMENT THE AFRICAN GROWTH AND OPPORTUNITY ACT AND TO
DESIGNATE ERITREA AS A BENEFICIARY DEVELOPING COUNTRY FOR PURPOSES
OF THE GENERALIZED SYSTEM OF PREFERENCES

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BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

1. Section 111(a) of the African Growth and Opportunity Act (Title I of Public Law 106-200) (AGOA) amends Title V of the Trade Act of 1974, as amended (the "1974 Act"), to provide, in new section 506A(a) (19 U.S.C. 2466a(a)), that the President is authorized to designate countries listed in section 107 of the AGOA as "beneficiary sub-Saharan African countries."

2. Section 112(a) of the AGOA (19 U.S.C. 3721(a)) provides that eligible textile and apparel articles that are imported directly into the customs territory of the United States from a beneficiary sub-Saharan African country shall enter the United States free of duty and free of quantitative limitations, provided that the country has satisfied the requirements of section 113(a) of the AGOA (19 U.S.C. 3722(a)) relating to the establishment of procedures to protect against unlawful transshipments, and section 113(b)(1)(B) of the AGOA (19 U.S.C. 3722(b)(1)(B)) relating to the implementation of procedures and requirements similar to those in chapter 5 of the North American Free Trade Agreement (NAFTA).

3. Section 112(b)(3)(B) of the AGOA (19 U.S.C. 3721(b)(3)(B)) provides special rules for certain apparel articles imported from "lesser developed beneficiary sub-Saharan African countries."

4. Section 112(c) of the AGOA (19 U.S.C. 3721(c)) provides that the President shall eliminate the existing quotas on textile and apparel articles imported into the United States (a) from Kenya within 30 days after that country adopts an effective visa system to prevent unlawful

transshipment of textile and apparel articles and the use of counterfeit documents relating to the importation of the articles into the United States, and (b) from Mauritius within 30 days after that country adopts such a visa system.

5. In order to implement the tariff treatment provided under the AGOA, it is necessary to modify the Harmonized Tariff Schedule of the United States (HTS), thereby incorporating the substance of the relevant provisions of the AGOA.

6. Sections 501 and 502 of the 1974 Act (19 U.S.C. 2461 and 2462) authorize the President to designate countries as beneficiary developing countries for purposes of the Generalized System of Preferences (GSP).

7. Section 604 of the 1974 Act (19 U.S.C. 2483) authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, and of other acts affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

8. I have determined that it is appropriate to authorize the United States Trade Representative (USTR) to perform the functions specified in sections 112(c) and 113(b)(1)(B) of the AGOA and to make the findings identified in section 113(a) of the AGOA and to perform certain functions under section 604 of the 1974 Act.

9. For Sierra Leone, I have determined that it is appropriate to authorize the USTR to determine the effective date of its designation as a beneficiary sub-Saharan African country.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including section 301 of title 3, United States Code, sections 111, 112, and 113 of the AGOA, and sections 501, 502, 506A, and 604 of the 1974 Act, do proclaim that:

(1) In order to provide for the preferential treatment provided for in section 112(a) of the AGOA, the HTS is modified as provided in the Annex to this proclamation.

(2) The following countries are designated as beneficiary sub-Saharan African countries pursuant to section 506A(a) of the 1974 Act:

Republic of Benin
Republic of Botswana
Republic of Cape Verde
Republic of Cameroon
Central African Republic
Republic of Chad
Republic of Congo
Republic of Djibouti
State of Eritrea
Ethiopia
Gabonese Republic
Republic of Ghana
Republic of Guinea
Republic of Guinea-Bissau
Republic of Kenya
Kingdom of Lesotho
Republic of Madagascar
Republic of Malawi
Republic of Mali
Islamic Republic of Mauritania
Republic of Mauritius
Republic of Mozambique
Republic of Namibia
Republic of Niger
Federal Republic of Nigeria
Republic of Rwanda
Democratic Republic of São Tomé and Príncipe
Republic of Senegal
Republic of Seychelles
Republic of Sierra Leone
Republic of South Africa
United Republic of Tanzania
Republic of Uganda
Republic of Zambia

(3) For purposes of section 112(b)(3)(B) of the AGOA, the following designated beneficiary sub-Saharan African countries shall be considered lesser developed beneficiary sub-Saharan African countries:

Republic of Benin
Republic of Cape Verde
Republic of Cameroon
Central African Republic

Republic of Chad
Republic of Congo
Republic of Djibouti
State of Eritrea
Ethiopia
Republic of Ghana
Republic of Guinea
Republic of Guinea-Bissau
Republic of Kenya
Kingdom of Lesotho
Republic of Madagascar
Republic of Malawi
Republic of Mali
Islamic Republic of Mauritania
Republic of Mozambique
Republic of Niger
Federal Republic of Nigeria
Republic of Rwanda
Democratic Republic of São Tomé and Príncipe
Republic of Senegal
Republic of Sierra Leone
United Republic of Tanzania
Republic of Uganda
Republic of Zambia

(4) The USTR is authorized to determine whether each designated beneficiary sub-Saharan African country has satisfied the requirements of section 113(a) of the AGOA relating to the establishment of procedures to protect against unlawful transshipments and section 113(b)(1)(B) of the AGOA relating to the implementation of procedures and requirements similar in all material respects to the relevant procedures and requirements under chapter 5 of the NAFTA. The determination or determinations of the USTR under this paragraph shall be set forth in a notice or notices that the USTR shall cause to be published in the Federal Register. Such notice or notices shall modify the HTS by listing the countries that satisfy the requirements of sections 113(a) and 113(b)(1)(B) of the AGOA. To implement such determination or determinations, the USTR is authorized to exercise the authority provided to the President under section 604 of the 1974 Act to embody modifications and technical or conforming changes in the HTS.

(5) The USTR is authorized to determine whether Kenya and Mauritius have satisfied the requirements of section 112(c) of the AGOA. The determination or determinations of the USTR under this paragraph shall be

set forth in a notice or notices that the USTR shall cause to be published in the Federal Register. Within 30 days after any such determination by the USTR, the USTR shall cause the existing quotas on textile and apparel articles imported into the United States from such country to be eliminated by direction to the appropriate agencies or departments. To implement such determination or determinations, the USTR is authorized to exercise the authority provided to the President under section 604 of the 1974 Act to embody modifications and technical or conforming changes in the HTS.

(6) The USTR is authorized to determine the effective date of the designation of the Republic of Sierra Leone as a beneficiary sub-Saharan African country and, therefore, the date upon which Sierra Leone will be considered a lesser developed beneficiary sub-Saharan African country. The determination of the USTR under this paragraph shall be set forth in a notice that the USTR shall cause to be published in the Federal Register. To implement such determination, the USTR is authorized to exercise the authority provided to the President under section 604 of the 1974 Act to embody modifications and technical or conforming changes in the HTS.

(7) Pursuant to sections 501 and 502 of the 1974 Act, Eritrea is designated as a beneficiary developing country for purposes of the GSP.

(8) In order to reflect in the HTS the designation of Eritrea as a beneficiary developing country under the GSP, general note 4(a) to the HTS is modified by inserting in alphabetical sequence "Eritrea" in the list of independent countries.

(9) Any provisions of previous proclamations and Executive orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

(10) This proclamation is effective on the date of signature of this proclamation, except that (a) the modifications to the HTS made by the Annex to this proclamation, as further modified by any notice to be published in the Federal Register as described in paragraph 4 of this proclamation, shall be effective on the date announced by the USTR in such notice, and (b) the designation of the Republic of Sierra Leone as a beneficiary sub-Saharan African country shall be effective on the date announced by the USTR in the Federal Register.

IN WITNESS WHEREOF, I have hereunto set my hand this second day of October, in the year of our Lord two thousand, and of the

Independence of the United States of America the two hundred and twenty-fifth.

WILLIAM J. CLINTON

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ANNEX

Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after the date published in the Federal Register by the United States Trade Representative, chapter 98 of the Harmonized Tariff Schedule of the United States is modified as set forth herein, with the material in the new tariff provisions being inserted in the columns labeled "Heading/Subheading", "Article Description", and "Rates of Duty 1-Special".

- (1). The following new U.S. note is inserted in numerical sequence in subchapter II of chapter 98 of the tariff schedule:
 7. For purposes of the special tariff treatment authorized by the African Growth and Opportunity Act (AGOA) (title I of Pub.L. No. 106-200) for certain goods of heading 9802.00.80 imported directly from those beneficiary sub-Saharan African countries previously designated by proclamation that are subsequently enumerated in a notice published in the Federal Register by the United States Trade Representative (USTR) as having been determined to have satisfied the requirements of the AGOA and therefore to be afforded such tariff treatment, the duty-free treatment indicated for such heading shall apply only to apparel articles assembled in one or more such beneficiary countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States (including fabrics not formed from yarns, if such fabrics are classifiable under heading 5602 or 5603 of chapter 56 and are wholly formed and cut in the United States). Articles otherwise eligible to enter under this

heading, and which satisfy the conditions set forth in U.S. note 3 to subchapter XIX of this chapter, shall not be ineligible to enter under this heading. Such countries shall be enumerated in this note whenever the USTR issues a Federal Register notice as described herein. Articles covered by the provisions of this note shall be eligible to enter the customs territory of the United States free of quantitative limitations.?

- (2). (a) The article description of heading 9802.00.80 is modified by inserting immediately after heading 9802.00.90 the expression “and goods imported under provisions of subchapter XIX of this chapter”.
- (b) The Rates of Duty 1-Special subcolumn for such heading is modified by inserting below the last rate in such subcolumn the expression “Free, for qualifying articles from sub-Saharan African countries enumerated in U.S. note 7 to this subchapter”.
- (3). The following new subchapter XIX is inserted in chapter 98 of the HTS, together with its U.S. notes and tariff provisions:

SUBCHAPTER XIX
TEXTILE AND APPAREL GOODS ELIGIBLE FOR
SPECIAL TARIFF BENEFITS
UNDER THE AFRICA GROWTH AND OPPORTUNITY ACT

U.S. Notes

1. For purposes of this subchapter, the tariff treatment provided herein shall be accorded only to textile and apparel articles that are described in such subheadings and imported directly into the customs territory of the United States from those beneficiary sub-Saharan African countries previously designated by proclamation which have subsequently been determined in a Federal Register notice issued by the United States Trade Representative (USTR) to have satisfied the requirements of the African Growth and Opportunity Act (AGOA) (title I of Pub.L. No. 106-200) and therefore should be afforded the tariff treatment authorized in such Act and set forth in the provisions of this subchapter. Such countries shall be enumerated in this note whenever the USTR issues a Federal Register notice as described herein. Such articles shall be eligible to enter free of duty and free of any quantitative limitations, except as provided in the notes to this subchapter.

2. (a) Imports of apparel articles under subheadings 9819.11.09 and 9819.11.12 shall be limited, in the period beginning on the date announced in a notice published in the Federal Register by the United States Trade Representative and continuing through the close of September 30, 2001, to an aggregate quantity not to exceed 1.5 percent of the aggregate square meter equivalents of all apparel articles imported into the United States in the preceding 12-month period for which data are available. Of that aggregate quantity, an amount not to exceed 1 percent of such aggregate square meter equivalents shall be eligible to enter under such subheadings during the period beginning on the date announced in such Federal Register notice and continuing through the close of December 31, 2000. The remaining 0.5 percent of such aggregate square meter equivalents, together with any quantity remaining unfilled from the 1 percent eligible to enter prior to January 1, 2001, shall be eligible to enter under such subheadings during the period beginning on January 1, 2001 and continuing through the close of September 30, 2001.
- (b) Such imports of apparel articles under subheadings 9819.11.09 and 9819.11.12 shall be limited, in each of the seven one-year periods beginning on October 1, 2001, to an aggregate quantity not to exceed the applicable percentage set forth herein of aggregate square meter equivalents of all apparel articles imported into the United States in the preceding 12-month period for which data are available:

Annex (con.)

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12-Month Period	Applicable Percentage
October 1, 2001 through September 30, 2002	1.7857
October 1, 2002 through September 30, 2003	2.0714
October 1, 2003 through September 30, 2004	2.3571
October 1, 2004 through September 30, 2005	2.6428
October 1, 2005 through September 30, 2006	2.9285
October 1, 2006 through September 30, 2007	3.2142
October 1, 2007 through September 30, 2008	3.5

- (c) The aggregate quantity of imports allowed during each enumerated 12-month period shall be published in the Federal Register by the Committee for the Implementation of Textile Agreements.

(d) For purposes of subheading 9819.11.12, only those designated beneficiary sub-Saharan African countries that have been enumerated in U.S. note 1 to this subchapter, following publication of a notice by the United States Trade Representative, shall be eligible to be treated as lesser developed beneficiary countries pursuant to section 112(b)(3)(B) of the AGOA (19 U.S.C. 3721(b)(3)(B)). Countries qualifying for designation as a lesser developed beneficiary country shall be enumerated in this note whenever the USTR issues a Federal Register notice as described herein and shall be eligible to enter goods under such subheading as of the effective date announced in such notice.

3. (a) An article otherwise eligible for preferential treatment under any provision of this subchapter shall not be ineligible for such treatment because the article contains--
- (i) findings or trimmings of foreign origin, if the value of such findings and trimmings does not exceed 25 percent of the cost of the components of the assembled article; or
 - (ii) certain interlinings of foreign origin, if the value of such interlinings (and any findings and trimmings of foreign origin) does not exceed 25 percent of the cost of the components of the assembled article; or
 - (iii) fibers or yarns not wholly formed in the United States or in one or more designated beneficiary countries enumerated in U.S. note 1 to this subchapter, provided that the total weight of all such fibers and yarns is not more than 7 percent of the total weight of the article.
- (b) For purposes of subdivision (a)(i) above, findings or trimmings eligible under such subdivision include sewing thread, hooks and eyes, snaps, buttons, "bow buds", decorative lace trim, elastic strips, and zippers, including zipper tapes and labels. Elastic strips are considered findings or trimmings only if they are each less than 2.54 cm in width and used in the production of brassieres. For purposes of articles described in subheading 9819.11.06, sewing thread shall not be considered to be findings or trimmings.
- (c) For purposes of subdivision (a)(ii) above, the interlinings

eligible under such subdivision include only a chest type plate, a “hymo” piece, or “sleeve header”, of woven or weft-inserted warp knit construction and of coarse animal hair or man-made filaments.

4. For purposes of subheading 9819.11.27, goods entered under this provision must be certified, by a competent authority of a designated beneficiary country enumerated in U.S. note 1 to this subchapter, as eligible products of such country, in accordance with any requirements established by the appropriate U.S. government authority.

Articles imported from a designated beneficiary sub-Saharan African country enumerated in U.S. note 1 to this subchapter: 9819.11.03 Apparel articles of chapter 61 or 62 assembled in one or more such countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States (including :fabrics not formed from yarns, if such fabrics are classifiable in heading 5602 or 5603 and are wholly formed and cut in the United States), the foregoing which (1) are embroidered or were subjected to stone-washing, enzyme-washing, acid washing, permapressing, oven-baking, bleaching, garment-dyeing, screen printing or other similar processes, and (2) but for such embroidery or processing are of a type otherwise described in heading 9802.00.80 of the tariff schedule.

9819.11.06 Apparel articles cut in one or more such countries from fabric wholly formed in the United States from yarns wholly formed in the United States (including fabrics not formed from yarns, if such fabrics are classifiable in heading 5602 or 5603 and are wholly formed in the United States), where such articles are assembled in one or more such countries with thread formed in the United States

9819.11.0 Apparel articles wholly assembled in one or more such countries from fabric wholly formed in one or more such countries from yarn originating in either the United States or one or more such countries (including fabrics not formed from yarns, if such fabrics are classifiable under heading 5602 or 5603 and are wholly formed and cut in one or more such countries), subject to the provisions of U.S. note 2 to this subchapter

9819.11.12 Apparel articles wholly assembled in a lesser developed such country enumerated in U.S. note 2(d) to this subchapter, subject to the provisions of U.S. note 2 to this subchapter, if entered during the period beginning on the date announced in a Federal Register notice issued by the United States Trade Representative and continuing through September 30, 2004, inclusive

9819.11.15 Sweaters, in chief weight of cashmere, knit-to-shape in one or more such

countries, the foregoing classifiable in subheading 6110.10

9819.11.18 Sweaters containing 50 percent or more by weight of wool measuring 18.5 microns in diameter or finer, knit-to-shape in one or more such countries

9819.11.21 Apparel articles both cut (or knit-to-shape) and sewn or otherwise assembled in one or more such countries from fabrics or yarn that is not formed in the United States or a beneficiary country, provided that such apparel articles of such fabrics or yarn would be considered an originating good under the terms of general note 12(t) to the tariff schedule without regard to the source of the fabric or yarn if such apparel article had been imported from the territory of Canada or the territory of Mexico directly into the customs territory of the United States

9819.11.24 Apparel articles both cut (or knit-to-shape) and sewn or otherwise assembled in one or more such countries from fabrics or yarn designated by the appropriate U.S. government authority in the Federal Register as fabrics or yarn not available in commercial quantities in the United States, under any terms as such authority may provide

9819.11.27 Handloomed, handmade or folklore textile and apparel goods, under the provisions of U.S. note 4 to this subchapter.